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U.S. Census Bureau
U.S. Bureau of Economic Analysis

This release contains sensitive economic data not to be released before 8:30 a.m. Friday, February 13, 2004

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U.S. INTERNATIONAL TRADE IN GOODS AND SERVICES
December 2003

Goods and Services

The U.S. Census Bureau and the U.S. Bureau of Economic Analysis, through the Department of Commerce, announced today that total December exports of **\$90.4 billion** and imports of **\$132.8 billion** resulted in a goods and services deficit of **\$42.5 billion**, \$4.1 billion more than the \$38.4 billion in November, revised. December exports were \$0.2 billion less than November exports of \$90.6 billion. December imports were \$3.9 billion more than November imports of \$128.9 billion.

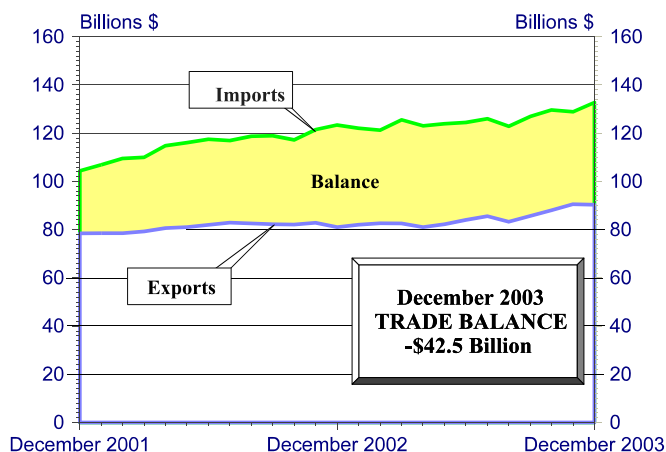
In December, the goods deficit increased \$4.2 billion from November to \$48.2 billion, and the services surplus increased \$0.1 billion to \$5.7 billion. Exports of goods decreased \$0.8 billion to \$62.9 billion, and imports of goods increased \$3.4 billion to \$111.1 billion. Exports of services increased to \$27.4 billion from \$26.8 billion, and imports of services increased to \$21.7 billion from \$21.3 billion.

In December, the goods and services deficit was up \$0.1 billion from December 2002. Exports were up \$9.3 billion, or 11.5 percent, and imports were up \$9.4 billion, or 7.7 percent.

Goods

The November to December change in exports of goods reflected decreases in *capital goods* (\$1.2 billion); *foods*,

U.S. International Trade in Goods and Services



feeds, and beverages (\$0.3 billion); and *consumer goods* (\$0.2 billion). Increases occurred in *industrial supplies and materials* (\$0.6 billion) and *automotive vehicles, parts, and engines* (\$0.3 billion). *Other goods* were virtually unchanged.

The November to December change in imports of goods reflected increases in *industrial supplies and materials* (\$1.3 billion); *capital goods* (\$1.2 billion); *automotive vehicles, parts, and engines* (\$0.5 billion); *consumer goods* (\$0.4 billion); and *foods, feeds, and beverages* (\$0.1 billion). *Other goods* were virtually unchanged.

NOTE: Total goods data are reported on a Balance of Payments basis; commodity and country detail data for goods are on a Census basis. For information on data sources and definitions, see the information section on page 26 of this release, or at www.census.gov/foreign-trade/www/press.html or www.bea.gov/bea/rels.htm.

The December 2002 to December 2003 change in exports of goods reflected increases in *capital goods* (\$3.5 billion); *industrial supplies and materials* (\$1.6 billion); *consumer goods* (\$0.9 billion); *foods, feeds, and beverages* (\$0.6 billion); and *automotive vehicles, parts, and engines* (\$0.5 billion). A decrease occurred in *other goods* (\$0.1 billion).

The December 2002 to December 2003 change in imports of goods reflected increases in *industrial supplies and materials* (\$2.7 billion); *capital goods* (\$2.2 billion); *consumer goods* (\$1.7 billion); *automotive vehicles, parts, and engines* (\$1.0 billion); and *foods, feeds, and beverages* (\$0.4 billion). A decrease occurred in *other goods* (\$0.1 billion).

Services

Services exports increased \$0.6 billion from November to December. The increase was mostly accounted for by increases in *travel* and *passenger fares*.

Services imports increased \$0.5 billion from November to December. The increase was mostly accounted for by increases in *travel* and *other transportation* (which includes freight and port services). Changes in the other categories of services imports were small.

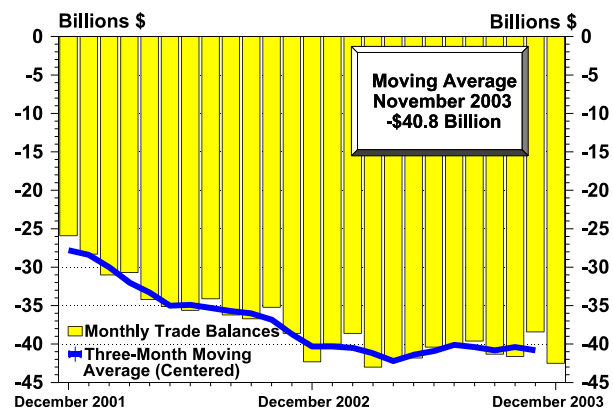
From December 2002 to December 2003, services exports increased \$2.1 billion. The largest increases were in *other private services* (\$0.9 billion), which includes items such as business, professional, and technical services, insurance services, and financial services, *travel* (\$0.5 billion), and *royalties and license fees* (\$0.4 billion).

From December 2002 to December 2003, services imports increased \$1.6 billion. The largest increases were in *other private services* (\$0.5 billion), *other transportation* (\$0.4 billion), and *direct defense expenditures* (\$0.3 billion).

Goods and Services Moving Average

For the three months ending in December, exports of goods and services averaged \$89.7 billion, while imports of goods and services averaged \$130.5 billion, resulting in an average trade deficit of \$40.8 billion. For the three months ending in November, the average trade deficit was \$40.4 billion, reflecting average exports of \$88.1 billion and average imports of \$128.5 billion.

Trade Balances



Selected Not Seasonally Adjusted Goods Details

The December figures showed surpluses, in billions of dollars, with Hong Kong \$0.7 (for November \$0.5), Australia \$0.5 (\$0.5), and Egypt \$0.1 (\$0.1). Deficits were recorded, in billions of dollars, with Western Europe \$11.1 (\$7.8), China \$9.9 (\$10.8), Japan \$5.7 (\$5.7), OPEC \$4.6 (\$3.9), Canada \$4.4 (\$4.3), Mexico \$3.1 (\$3.0), Korea \$1.4 (\$1.2), Taiwan \$0.8 (\$1.1), and Brazil \$0.5 (\$0.4).

Advanced technology products (ATP) exports were \$16.7 billion in December and imports were \$20.1 billion, resulting in a deficit of \$3.4 billion. December exports were virtually the same as the \$16.7 billion in November, while imports were \$1.5 billion more than the \$18.6 billion in November.

Revisions

Goods carry-over in December was \$0.4 billion (0.6 percent) for exports and \$1.3 billion (1.2 percent) for imports. For November, revised export carry-over was \$0.2 billion (0.4 percent), revised down from \$0.5 billion (0.7 percent). For November, revised import carry-over was \$0.1 billion (0.1 percent), revised down from \$0.8 billion (0.8 percent).

The seasonally adjusted goods data for January through November were also revised to align the seasonally adjusted months with the annual totals.

Services exports for November were virtually unrevised at \$26.8 billion. Services imports for November were virtually unrevised at \$21.3 billion.

Annual Summary for 2003

Goods and Services

For 2003, exports of \$1,018.6 billion and imports of \$1,507.9 billion resulted in a goods and services deficit of \$489.4 billion, \$71.3 billion more than the 2002 deficit of \$418.0 billion. For goods, exports were \$713.8 billion and imports were \$1,263.2 billion, resulting in a goods deficit of \$549.4 billion, \$66.5 billion more than the 2002 deficit of \$482.9 billion. For services, exports were \$304.8 billion and imports were \$244.8 billion resulting in a services surplus of \$60.0 billion, \$4.8 billion less than the 2002 surplus of \$64.8 billion.

The goods and services deficit in 2003 was \$489.4 billion. As a percentage of U.S. Gross Domestic Product, the goods and services deficit increased from 4.0 percent in 2002 to 4.5 percent in 2003.

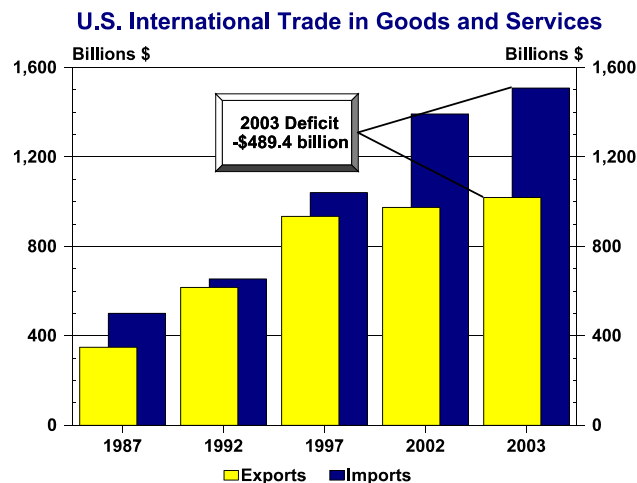
Goods (Census Basis)

For 2003, exports of goods were up \$30.9 billion from 2002. Increases occurred in *industrial supplies and materials* of \$16.1 billion (primarily organic chemicals, other petroleum products, nonmonetary gold, raw cotton, and plastics); *consumer goods* (\$5.5 billion); *foods, feeds, and beverages* (\$5.5 billion); *capital goods* (\$2.5 billion); and *automotive vehicles, parts, and engines* (\$1.2 billion). *Other goods* were virtually unchanged.

For 2003, imports of goods were up \$98.3 billion from 2002. Increases occurred in *industrial supplies and materials* of \$48.8 billion (primarily crude oil, natural gas, other petroleum products, and fuel oil); *consumer goods* (\$25.9 billion); *capital goods* (\$12.3 billion); *automotive vehicles, parts, and engines* (\$6.4 billion); and *foods, feeds, and beverages* (\$6.1 billion). A decrease occurred in *other goods* (\$1.2 billion).

Services

For 2003, exports of services were \$304.8 billion, up \$12.6 billion from 2002. Increases occurred in *other private services* (\$7.5 billion), which includes items such as business, professional, and technical services, insurance services, and financial services; *royalties and license fees* (\$3.9 billion); *other transportation* (\$2.5 billion), which includes freight and port services; and *transfers under U.S. military sales contracts* (\$0.8 billion). Decreases occurred in *passenger fares* (\$1.4 billion) and *travel* (\$0.8 billion). *U.S. Government miscellaneous services* were virtually unchanged.



For 2003, imports of services were \$244.8 billion, up \$17.4 billion from 2002. Increases occurred in *other private services* (\$7.0 billion); *other transportation* (\$6.3 billion); *direct defense expenditures* (\$4.5 billion); *passenger fares* (\$0.6 billion); and *U.S. Government miscellaneous services* (\$0.1 billion). Decreases occurred in *travel* (\$1.0 billion) and *royalties and license fees* (\$0.1 billion).

For detailed descriptions of the types of transactions included in each of the services categories, see "Information on Goods and Services" starting on page 26 of this release.

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